

ACIL 64<sup>th</sup> Annual Meeting  
Opening Plenary Session Keynote Presentation  
9 September 2001

Remarks for LTG Flowers

Good Afternoon! It's great to be in Phoenix today.

Acknowledgements

I would like to acknowledge:

Bill Harper, Chairman, Board of Directors, ACIL

Jerry Weathers, Chair-Elect, Board of Directors, ACIL – Thanks for a great introduction.

To your Board of Directors and your all of members – Thanks for inviting me to be here with you. It was important for me to be here today because your organization is an important stakeholder for the Corps.

Introduction

It's my privilege to represent the soldiers and civilians of the U.S. Army Corps of Engineers. We are the largest public engineering, design and construction organization in the world. Our responsibilities span the spectrum of peace and war. Our capabilities support the Nation's water resources, environment, infrastructure, disaster relief, and warfighting requirements.

Many people wonder why the Army is associated with building dams and flood control projects. One of my predecessors, Major General Julian Schley, the 34<sup>th</sup> Chief of Engineers (1937-1941) had an interesting perspective on this. In a letter to the Corps Historical Division in 1953 he wrote:

“During the time when I was old enough to have an overall understanding of the Corps, I know that the Corps considered its principal functions to be: (1) a part of the combat team with infantry and artillery; and (2) a construction agency capable by training and experience to handle major construction work needed in time of war and in preparation for war. Personally, I have always looked on the work on rivers and harbors, on the one hand, as an opportunity seized by the Federal government to make full use of a capable and honest body of engineers free from political influence; and, on the other hand, as a fortunate means for the Corps to learn how to handle large forces of labor, great amounts of construction materials, and big sums of money. A military engineer must have broad experience between wars.”

Today, we are deployed around the world as part of the Army's contribution to our national military strategy. And across America, our Military Program and Civil Works Program are addressing local, regional, and national challenges.

While our annual budget runs at just over \$12 billion, what many people do not appreciate is the fact that the majority of our work is accomplished through our private sector partners. The majority of our design work, and virtually all of the construction work, is accomplished through contracting. The members of ACIL represent one of the most important elements of our projects. In civil engineering and vertical construction the results of your work enable us to guarantee to our stakeholders that the projects we build are structurally sound and reliable. Your work is even more important in our environmental remediation projects, where it demonstrates that we have met critical goals for protecting human health and the environment. In both cases, the quality and reliability of your results are crucial to the success of our work. We value your knowledge and scientific expertise, and we respect your contribution.

#### Global Focus

I'd like to discuss a few of the national trends that will have an impact on the work that we do together. As soldiers, we know that when you're in a tight spot, the battle buddy that's in the foxhole with you is the one that you fight for. Our nation faces monumental challenges in infrastructure and the environment. You and I are on the same team, and the quality of our partnership will be reflected in the quality of the work that we do.

#### Army Transformation & MilCon Plus-Up

Any discussion of the Army today has to begin with Army Transformation. Our Army is transforming itself to prepare for an uncertain future. It's a historic transformation that is unprecedented in the absence of a state of conflict. I could talk on this point alone for hours but it will be sufficient to say that the Army is taking a fundamental look at how it fights. Ultimately this will lead to changes in training, equipment, facilities and force structure. Over an extended period of time, it will result in significant construction as we redesign our training ranges and facilities to meet the requirements of the objective force.

On the short and mid-range horizon, Congress and the Administration are taking steps to address badly needed upgrades to our military facilities. The proposals on the hill for the FY 02 military construction accounts will significantly add to our workload relative to current spending. The Corps will respond to the increased needs for planning and execution, and we are working with all of our partners to assure our success. The more you know about our business, the better prepared you will be to support the needs of our nation.

#### Infrastructure

Expanding our view to a more global focus - It's no secret that our country's infrastructure is aging. 28% of our dams are at least 50 years old and 64% are at least 30 years old. 44% of the Nation's locks are over 50 years old and many of them are undersized for modern commercial barges.

To get the big picture on infrastructure requirements, all you have to do is review the American Society of Civil Engineers Infrastructure Report Card. It doesn't paint a pretty picture. For 2001 the grades were: Roads – D+; Dams – D; Bridges – C; and Schools – D-. The overall infrastructure grade was D+, and the only time I was happy to get a D+ was in organic chemistry.

The total estimated cost for recapitalization is \$1.3 trillion over the next five years and it's a bill that can't be put off forever. The quality of our infrastructure is directly linked to the economic vitality of the nation. Corps' missions are associated with the water resources infrastructure that serves as the conduit for billions of dollars of national and international commerce annually.

The Corps has a Civil Works construction backlog of \$38 billion for completion of all active and/or authorized projects. What all this means is that our requirements in this area are increasing. As a result, our reliance on the private sector will also continue to increase.

#### Environmental Focus

Another major area is environmental cleanup.

The value the public places on our Nation's environment remains a powerful and growing force for change in public policy and fiscal priorities. The Corps executes over a billion dollars every year in hazardous waste cleanups. This work ranges from Base Realignment and Closure cleanups and Formerly Used Defense Sites, work performed on active military installations, to projects performed for the Environmental Protection Agency under the Superfund Program.

This work is never easy. The sites represent complex scientific and engineering challenges. There is always a significant amount of federal, state, and local regulatory involvement, and public interest groups are rightly concerned with the work we do.

The Corps already has a great reputation for our work in this area but we must seek continuous improvement. Our keys to success will be innovation, implementation of new technology and synergy with our private sector partners.

#### Synergy

I want to be sure that you know what I mean when I talk about synergy. It's a concept that I've brought to the Corps that strikes to the heart of where the organization is going.

The definition of synergy that we use comes from Stephen Covey. It goes like this: Synergy is "the fruit of thinking win-win, and seeking first to understand. It's not compromise... It's the creation of third alternatives that are genuinely better than solutions individuals could ever come up with on their own."

We can go farther, do more, think more creatively, and achieve more when we act as a single body. At best, we capitalize on each other's strengths and minimize our weaknesses. I believe that in group dynamics, group strengths have a natural tendency to overcome individual weaknesses, not the other way around. The way I see it, partnering is a formal way to achieve synergy in support of the nation.

Simply stated, **partnering produces synergy**.

#### Values and Vision

The U.S. Army Corps of Engineers is an agency of integrity, with people of high character who return real value to the Nation. We will be open and responsive in working with all interested parties in the execution of our studies, projects, and in our regulatory responsibility. We will promote dialog. We will seek to build consensus and always strive to do what is right. Our team works with many different entities, but only for one purpose, to do what is right to enhance and protect the well being of the Nation.

We seek to partner with stakeholders and private firms that serve the public interest. We aim to be a full spectrum engineer force of high quality, dedicated soldiers and civilians:

- Trained and ready,
- A vital part of the Army,
- Dedicated to public service,
- An Army values-based organization.

It's important for me to share this. If we strive to reach a mutual understanding of our respective values and goals, we enhance our ability to promote effective partnering processes.

Communication is fundamental in our role as public servants. Through strategic communication, we interact internally as a team, externally with our partners, stakeholders, and customers, and provide quality services and products to meet the Nation's needs. It is essential that our communication be timely, truthful, and open. The better we listen, the better we understand and the better we serve.

#### Small Business Utilization

There are a couple of areas where we can clearly see our mutual interest and a focus for partnering efforts with ACIL.

Significant proportions of your membership are small businesses. In many cases your relationship to the Corps is mediated through a prime contractor. The Corps is a friend of small business and we actively promote subcontracting to this element of the business community. We have been a leader within the Army in utilization of the full spectrum of small businesses, small disadvantaged businesses, and women owned small businesses, both as prime contractors and as subcontractors. It's the law of the

land, but it's also good business. We want to grow small businesses to insure the future capability of the pool of contractors that we work with on our projects.

When your relationship to the Corps is through a prime contractor, we also want to insure that you are treated fairly and equitably. You need to be represented as a member of the total project team. We can't afford to have execution delays due to poor coordination with the laboratory. This is particularly important on some of our larger environmental remediation projects, but it's just as relevant when you're waiting on compression results from a foundation core sample.

#### Laboratory Accreditation and Quality Systems

Laboratory accreditation is an area of continual interest. While it's not always a reliable leading indicator of the quality of work that a laboratory will perform, we believe that having the appropriate credentials as a prerequisite to performing laboratory work on our projects is non-negotiable. Having said that, the Corps needs to do some work within our own ranks to insure that we are all on the same page, particularly as related to materials and engineering tests. We can and will do better, to insure that all of our districts are executing to the same standard. This is a nuts and bolts quality issue, but it's also a fairness issue from the perspective of your members. We need to have a level playing field and all of our contractors need to compete on the same basis.

A long standing issue with the environmental laboratory community has been the need to obtain multiple laboratory accreditations for each state and federal agency that you do work for. The Corps has been one of the key federal partners in supporting the National Environmental Laboratory Accreditation Program (NELAP) initiative that it is now becoming a reality. Currently, we are working to establish NELAP as an important requirement for all environmental laboratories performing work for the Corps. We are also trying to iron out where we might need to impose additional requirements, and we are reviewing our policies accordingly. Ultimately, we hope that NELAP will become the "gold standard" of environmental lab accreditations. We believe that this will be in the best interests of government and industry.

Focusing more closely on laboratory operations – From where I sit there is no issue that is more important than data integrity and ethics in the laboratory. The public must be able to rely on the integrity of our work. While the overall incidence of environmental laboratory fraud is relatively low, when it occurs it can have a devastating impact on our projects. And quite simply, there is no level of improper business practice that is acceptable. We believe that the first line of defense in this regard is an effective laboratory QA/QC system. In addition, our technical staff will continue to perform project specific on-site reviews of laboratory operations. This will occur whenever this level of effort is warranted by project data quality objectives. The Corps recognizes that ACIL champions quality and integrity in environmental laboratory operations. We want to partner with you in this critical and fundamental mission area.

### Environmental Operating Principles

I'd like to finish by sharing one of our emerging initiatives with you. The Corps has always been an advocate for conservation and environmental preservation. A few months ago I challenged my senior leaders to develop a set of environmental operating principles that would guide all Corps environmental operations. My purpose in doing so is twofold: (1) I want to have a single set of guidelines that covers all our environmental functions in civil works, military programs, and R&D; and (2) I want our stakeholders, partners and the public to know what we stand for on environmental issues. It's a work in progress, and this is what we have at this point. The Corps would:

**Strive to achieve Environmental Sustainability.** An environment maintained in a healthy, diverse, and sustainable condition is necessary to support life.

**Continue to accept corporate responsibility and accountability under the law** for activities and decisions under our control that impact human health and welfare and the continued viability of natural systems.

**Recognize the interdependence of life and the physical environment, and consider environmental consequences of Corps programs** and activities in all appropriate circumstances.

**Seek ways and means to assess and mitigate cumulative impacts to the environment;** bring systems approaches to the full life cycle of our processes and work.

**Build and share an integrated scientific, economic, and social knowledge base** that supports a greater understanding of the environment and impacts of our work.

**Seek balance and synergy among human development activities and natural systems** by developing economic, environmental, and social solutions that support and reinforce one another.

**Respect the views of individuals and groups** interested in Corps activities; listen to them actively, and **learn from their perspective** in the search to find innovative win-win solutions to the Nation's problems that also protect and enhance the environment.

We are continuing to refine the language. We are also working on a broader companion document that will explicitly define what these statements mean and how we will implement these principles into our business practices. As one of our key partners in executing our environmental missions we welcome your input and perspective as we pursue this initiative.

## Conclusion

And so to conclude – We've been working on building our relationship since we signed our partnering agreement in April of last year. I'm very happy that you chose to participate in our recent Infrastructure Conference. We've done a lot of work together, and we share the same ideals of quality and integrity in engineering. We can do much more in the context of our partnership, and the product of our work will enhance the quality of the services that we provide for this great nation. I'd like to leave you with a final thought. The motto of the Engineers is "Essayons." It means, "Let us try." Army Engineers have kept that motto as their watchword for over 226 years. When we try together, in partnership with our stakeholders, in service to the communities that we serve, we truly have an unbeatable team...Thank You!

Again, it's been a pleasure to be here with you today and I'd be happy to take any questions that you might have.